

154.45-090 Tax advantages, credits, and exemptions for qualified businesses. (Effective until December 31, 2007)

- (1) A new business, or an existing business certified on the basis of employee expansion, shall be eligible to receive the tax advantages provided for in this section if the qualified business maintains the percentage of targeted workforce employees required by KRS 154.45-010(8) for the entire time it is certified as a qualified business in the Enterprise Zone Program.
- (2) Building materials used in remodeling, rehabilitation, or new construction within an enterprise zone shall be exempt from sales and use taxes provided for in KRS Chapter 139.
- (3) New and used equipment and machinery purchased and used by a qualified business within an enterprise zone shall be exempt from sales and use taxes provided for in KRS Chapter 139. Equipment and machinery may be moved in and out of an enterprise zone for business purposes only. In addition, it may not become a permanent fixture at another location and may be only temporarily located elsewhere for maintenance, mechanical failure, or emergency short term replacement.
- (4) Commercial vehicles as defined in KRS 186.050, purchased and used by a qualified business solely for business purposes, shall be exempt from the motor vehicle usage tax imposed by KRS 138.460.
- (5) Motor vehicles not considered commercial vehicles pursuant to KRS 186.050, purchased and used by a qualified business solely for business purposes, shall be exempt from the motor vehicle usage tax limited to the first twenty thousand dollars (\$20,000) of the "retail price" of the vehicle as defined in KRS 138.450.
- (6) Motor vehicles or motor trucks purchased by a qualified business for the purpose of being leased to a customer for a period greater than ninety (90) days shall not be exempt from the motor vehicle usage taxes provided for in KRS 138.460.
- (7) A qualified business shall be allowed a credit against the tax levied pursuant to KRS 141.040 equal to ten percent (10%) of wages paid to each employee who has been unemployed for at least ninety (90) days or who has received public assistance benefits, based on need and intended to alleviate poverty, for at least ninety (90) days prior to employment with the qualified business, up to fifteen hundred dollars (\$1,500) per employee. Any unused credit may be carried forward for up to five (5) years.
- (8) A local government may, by an act of the local legislative body, levy an ad valorem tax rate of one-tenth of one cent (\$.001) upon each one hundred dollars (\$100) of value on qualified property within an enterprise zone regardless of the rates provided for in KRS Chapter 132.

Effective: June 24, 2003

History: Amended 2003 Ky. Acts ch. 150, sec. 1, effective June 24, 2003. -- Amended 1992 Ky. Acts ch. 35, sec. 10, effective July 14, 1992. -- Amended 1988 Ky. Acts ch. 113, sec. 2, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 30, sec. 9, effective July 15, 1986; and ch. 431, sec. 8, effective July 15, 1986. -- Created 1982 Ky. Acts ch. 131, sec. 9, effective July 15, 1982.

Formerly codified as KRS 154.690

Legislative Research Commission Note (3/18/2005). 2005 Ky. Acts ch. 168, sec. 159,
has repealed this statute effective December 31, 2007.